

Labor poverty rebounds, despite lower levels of informality

- In 3Q22, labor force participation was at 59.9%, similar to the one observed in previous quarter and representing an increase of 0.5%-pts over the past 12 months
 - Labor participation is now at the same level registered in 1Q20, just before the pandemic
 - Male labor participation is at 76.6%, while women participation is 45.1%, a 31.45%-pts gap, larger than the one observed in 2Q22 (31.37%-pts)
- Unemployment rate was at 3.4% of total labor force (PEA) in 3Q22, up 0.2%-pts from previous quarter but 0.8%-pts lower than in same period last year

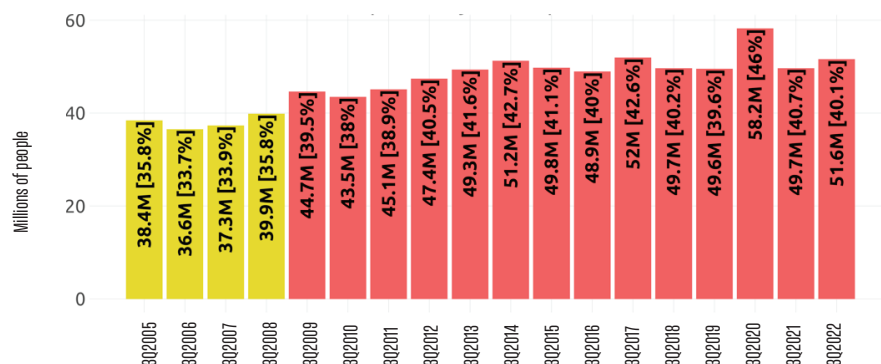
Labor poverty: Measures poverty as the proportion of population that lives in a household where labor income is not enough to feed all its members (revenues per capital lower than the monetary value of a basic basket of food)

- 40.1% of population were in labor poverty in 3Q22, which is equivalent to about 51.6 million Mexicans.
 - This rate is 1.8%-pts higher than in previous quarter.
 - We are still above the 36.6% observed in 1Q20 -the lowest rate estimated since 2008.
 - Baja California Sur and Baja California are the entities with the lowest proportion of labor poverty, with rates below 22%.
 - By contrast, Chiapas, Guerrero, and Oaxaca are the three states with the largest proportions of labor poverty, with rates above 60%.
 - 24 federal states registered an increase in labor poverty levels vs. pre-pandemic levels. We highlight the expansion in Guerrero, Aguascalientes, Puebla, Guanajuato, Querétaro, and Michoacán.
 - Hidalgo is the state with the largest reduction in labor poverty vs. 1Q20 (pre-pandemic), from 46.7% to 43.8% of population.

Labor poverty

Each year's third quarter

Percentages are indicated in brackets



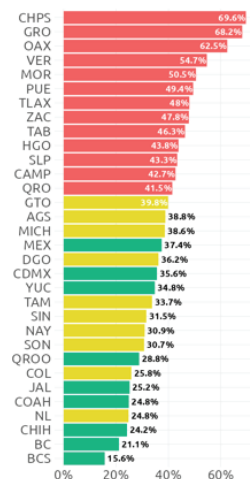
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Labor poverty

3Q22



- Lower than or equal to national indicator, as well as with greater decrease than national
- Lower than or equal to national indicator, as well as with smaller decrease than national
- Higher than national level



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- Labor poverty is still disproportionately affecting women.
- For every 100 men, there are 110 women in labor poverty. This proportion was marginally lower than the one observed in previous quarter (111).
 - In all 32 states the proportion of women in labor poverty is higher.
 - Baja California Sur is the federal entity with the lowest percentage of people in labor poverty, but it has the widest gap between men and women: for every 100 men, there are 124 women in this type of poverty.
- In the third quarter of the year, 51.2% of nonfarm workers were employed in the informal labor market, lower than the rate observed in previous quarter.
- Informality rate was higher for women (54.3%) than for men (48.8%).
 - In the meantime, while in states like Oaxaca, Guerrero, Hidalgo, Tlaxcala, and Chiapas informality rates are above 68%, in others (Chihuahua, Coahuila, Nuevo León, Baja California Sur and Baja California) rates are between 31.9% and 36.5% of nonfarm occupied population.
 - In 30 out of 32 states, informality rates for women are higher than those for men, except for Chihuahua and Baja California.

Labor informality 3Q22

